

2009-2010  
Administration Budget Amendment Overview

	2008-2009	2009-2010		
		Recurring	NR	Earmarked
<b>A. Revenue Estimate Adjustments - Increase / (Decrease):</b>				
1. State Revenue	(111,700,000)	(161,000,000)		
2. Debt Service Fund - Transfer to GF - Economic Development Projects	27,800,000			
3. Debt Service Fund - Cancel \$11,841,000 Economic Development Bonds (Premium)		1,300,000		
4. Debt Service Fund - Cancel \$13,897,000 Bonds (Premium)		1,500,000		
5. Franchise and Excise Taxes - FONCE @ \$500,000 threshold and \$22 M estimate		(3,000,000)		
6. Health Maintenance Organization (HMO) Tax @ \$136.6 M		(2,700,000)		
7. Tax Bill - Technical Corrections - SB 2318 / HB 2275:		38,000,000		
a. Business Tax Administration		21,000,000		
b. Software Maintenance and Warranty Agreements		9,000,000		
c. Cable Boxes		2,000,000		
d. Telecommunications - Business Long Distance @ 9.25%		6,000,000		
8. Miscellaneous Revenue Adjustment (C&I)	(1,900,000)			
9. U. S. Recovery Act - Higher Education - Correction at 07-08 level	(18,291,100)		(20,124,400)	
10. U. S. Recovery Act - K-12 Education BEP @ \$18 M in 2008-09 and \$172.4 M in 2009-10	18,000,000		20,400,000	
11. 2008-2009 Tobacco Master Settlement Agreement @ \$158.2 M recurring	(1,300,000)			
<b>Sub-Total A. Available Revenue - Increase / (Decrease)</b>	<b>(87,391,100)</b>	<b>(125,900,000)</b>	<b>275,600</b>	<b>-</b>
<b>B. Reversion 2008-2009 - Increase / (Decrease):</b>				
12. TennCare - Enhanced Federal Match	16,000,000		59,500,000	59,500,000
13. State Agencies - Claims Premium Rebate			5,500,000	
14. Misc. Approp. - ACCENT System Development - 2007-2008 closing error	(10,322,200)			
15. State Agencies - May 2009 estimate	(26,800,000)			
<b>Sub-Total B. Additional Reversion 2008-2009 - Increase / (Decrease)</b>	<b>(21,122,200)</b>	<b>-</b>	<b>65,000,000</b>	<b>59,500,000</b>
<b>Total Available Revenue and Reserves - Surplus / (Deficit)</b>	<b>(108,513,300)</b>	<b>(125,900,000)</b>	<b>65,275,600</b>	<b>59,500,000</b>
<b>C. 2009-2010 Improvement Reductions - Savings / (Cost):</b>				
16. State Treasurer - Reduce Improvement (2 FT)				222,500
17. K-12 Education - BEP @ \$46 M full funding		2,000,000		
18. Aging and Disabilities Commission - Reduce state match - U. S. Recovery Act	18,900		17,600	
<b>Sub-Total C. 2009-2010 Improvement Reductions - Savings / (Cost)</b>	<b>18,900</b>	<b>2,000,000</b>	<b>17,600</b>	<b>222,500</b>
<b>D. Capital Outlay Reductions - Savings / (Cost):</b>				
19. Delayed Projects - Restore Environment and Conservation	(5,600,000)			
<b>Sub-Total D. Capital Outlay Reductions - Savings / (Cost)</b>	<b>(5,600,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>E. Base Reductions - Savings / (Cost):</b>				
20. Non-Recurring Add-Backs - Delete Non-Personnel Items - Accelerate Reductions:			21,207,800	
a. # 1 District Attorneys - Training			85,000	
b. District Public Defenders:			265,000	
# 1 Increase in Partial Indigency Fee Revenue - State decrease reflects available fees			235,000	
# 3 Disconnect Phone Lines - Unnecessary lines			30,000	
c. # 2 Finance and Administration - Grants - Adult day care (\$100,000), Internet Crimes Against Children (\$180,000), Weakley Co. Methamphetamine treatment (\$30,000)			310,000	
d. Human Resources:			270,000	
# 3 On-Line Submission of Applications			70,000	
# 4 OIR Systems Expenditures - Postpone projects; computer utilization efficiencies			200,000	
e. # 2 E & CD - Business Development:			3,061,200	
i. Administrative Services - Business development (\$25,000), Film Comm. (\$20,000), technology councils (\$125,000), operational ( \$101,700)			271,700	
ii. Business Services			44,600	
iii. Fast Track Infrastructure and Job Training Assistance			2,744,900	
f. K-12 Education:			10,900,000	
# 2 Extended Contracts - Career Ladder extended contracts @ \$15 M NR			5,000,000	
# 6 Coordinated School Health - Program @ \$10,522,500 NR			4,900,000	
# 9 Internet Connectivity - Program @ \$2,063,000 NR			1,000,000	
g. # 7 Labor - Adult Education Subgrants - Program base \$15.4 M (\$3.7 M state)			373,500	

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h. # 5 Military - Administration - Tuition assistance for Air Guard @ \$484,500 recurring			353,500
i. Human Services:			
# 6 Vocational Rehabilitation Tuition Means Test			2,600,000
# 7 Family Services Counseling - Efficiencies in screening by telephone			600,000
			2,000,000
j. # 3 TBI - Investigation and Forensic Services - Equipment, supplies, and operational			2,989,600
21. TennCare - HMO tax - Fiscal Note reconciliation			10,657,800 (10,657,800)
22. General Services - Motor Vehicle Management			5,400,000
23. Higher Education - State Maintenance of Effort (MOE) @ \$63,290,300			4,799,700
24. Higher Education - U. S. Recovery Funds - Correction at 07-08 level	18,291,100	20,124,400	
25. K-12 Education - BEP - General Fund Non-recurring Reduction	18,000,000	20,400,000	
26. K-12 Education - BEP Base - U. S. Recovery Funds - NR Add-Back	(18,000,000)	(20,400,000)	
<b>Sub-Total E. Base Reductions - Savings / (Cost)</b>	<b>18,291,100</b>	<b>-</b>	<b>56,789,700 (5,257,800)</b>
<b>Sub-Total Budget Reductions</b>	<b>12,710,000</b>	<b>2,000,000</b>	<b>56,807,300 (5,035,300)</b>
<b>F. Base Budget Restorations - Savings / (Cost):</b>			
27. Children's Services - Restore Base (361 FT)		(17,620,500)	16,038,000
a. # 15 Group Homes (154 FT)		(4,941,100)	3,779,500
b. # 18 TennCare for Children's Services - Group Homes		(6,900)	(111,800)
c. # 16 Youth Development Center Beds (97 FT)		(5,045,100)	5,045,100
d. # 17 Relative Caregiver and Other Contracts		(2,818,200)	2,818,200
e. # 18 Administrative and Operational Staff (110 FT)		(3,651,300)	3,651,300
f. # 18 TennCare for Children's Services - Administrative and Operational Staff		(1,157,900)	855,700
28. TennCare - Reduction # 11 - Long-Term Care Eligibility Criteria - NR Add-Back			(12,187,200) (34,936,800)
29. Correction Dept. - Restore Reduction # 1 - Whiteville Prison - Also \$10.55 M in 2010-11			(12,043,400)
30. Comptroller - Restore Base partly (½)		(3,755,300)	2,831,800
31. Secretary of State - Restore Base partly (½)		(2,254,100)	1,699,800
32. Budget Overview Reconciling Adjustment		(4,781,800)	3,606,000
<b>Sub-Total F. Base Budget Restorations - Savings / (Cost)</b>	<b>-</b>	<b>(28,411,700)</b>	<b>(55,000)</b>
<b>Total Available Funds - Surplus / (Deficit)</b>	<b>(95,803,300)</b>	<b>(152,311,700)</b>	<b>122,027,900</b>
<b>G. Additions to Budget - (Cost) / Savings:</b>			
33. Severance - 717 positions (\$2.3 M severance pay, \$1.4 M tuition)			(3,700,000)
34. Court System - Indigent Defendants Counsel - Reduce 2008-2009 Supplemental Appropriation	1,000,000		
35. Court System - Guardian ad Litem - 2008-2009 Supplemental Appropriation	(1,000,000)		
36. 2008 Legislation - Mandated local costs - Article II, Section 24	(100,000)		
37. Mental Health - MR clients awaiting transfer	(1,800,000)		
38. MH - Community Svcs. - Behavioral Health Safety Net - State-Only / Judicial @ 11,280 persons		(10,000,000)	
39. E & CD - Development Districts grants - Match local funds	(150,000)	(150,000)	
40. E & CD - Advanced Manufacturing Technology Education Center - Fast Track Funds			(5,000,000)
41. E & CD - Energy Initiative - Federal funds			61,539,200
a. Volunteer State Solar Energy Initiative @ \$62,482,000 Federal ARRA			28,417,000
b. Energy Efficiency & Conservation Block Grant @ \$13,818,200 - Implement energy efficiency plan			4,922,200
c. Low-Interest Revolving Loan Fund - Commercial and industrial energy efficiency improvements - Matches \$15 M TVA			15,000,000
d. Multi-State and U. S. DOE electric vehicle technology demonstration - Grant			5,000,000
e. Building Codes - Training & materials - Promote energy efficiency			500,000
f. Other clean energy initiatives @ \$15 M			7,700,000
i. Petroleum violation escrow funds - Appropriate federal funds			15,000,000
ii. Small-Business Energy Loan Program - Reduce federal estimate			(2,400,000)
iii. Local Government Energy Loan Program - Reduce federal estimate			(4,900,000)
42. Cover RX - Additional pharmacy caseload of 11,800			(2,400,000)
43. DAs - Annualize 2007-2008 step salary increase of Assistant DAs (DAs \$397,100; DHS 27,400)		(424,500)	
44. PDs - Annualize 2007-2008 step salary increase of Assistant PDs		(232,900)	

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45. K-12 Education - Pre-K - Lottery @ \$3 M		(8,000,000)	8,000,000
46. K-12 Education - Save the Children literacy grant			(1,000,000)
47. Tourist Development - Advertising			(3,500,000)
48. Health - Meharry Wellness Program for HBCUs			(2,000,000)
49. Group Health Insurance @ 1-1-10:		(26,890,300)	-
a. State Agencies @ 6%		(7,709,300)	
b. Higher Education @ 6%		(5,669,000)	
c. K-12 - BEP @ 10%		(13,512,000)	
50. Correction Dept. - Criminal Justice Coordinating Council		(250,000)	
<b>Sub-Total G. Additions to Budget - Savings / (Cost)</b>	<b>(2,050,000)</b>	<b>(45,947,700)</b>	<b>(12,600,000) 64,539,200</b>
<b>H. Capital Outlay - Additions to Budget - (Cost) / Savings:</b>			
51. Capital Outlay - West TN Megasite Land @ \$40.3 M			(13,000,000)
52. Capital Outlay - E&CD - Solar Farm Visitors Center - DOT Federal Funds			(2,000,000)
53. Capital Outlay - UT Veterinary Medicine Hospital - Additions & renovations (\$10 M National Academy-Level Faculty, \$5.4 M institutional reserve, \$2.2 M federal ARRA, TSSBA - gifts \$3.5 M)			(21,100,000)
54. State Fish Hatcheries Expansion - Pre-planning			(800,000)
<b>Sub-Total H. Capital Outlay - Additions to Budget - Savings / (Cost)</b>	<b>-</b>	<b>-</b>	<b>(13,800,000) (23,100,000)</b>
<b>I. Administration Bills - Savings / (Cost) or Revenue Increase / (Loss):</b>			
55. Administration bills - Budget Document estimate - Delete		300,000	
56. SB 2236 / HB 2249 - TBI - Prohibits handgun purchase by mentally ill persons and persons adjudicated as mentally defective (increase local expenditures \$105,000)		(64,800)	(7,000)
57. a. SB 2239 / HB 2289 - C&I - Health Insurance Claims Data - State Health Planning source			(200,000)
b. SB 2239 / HB 2289 - C&I - Health Insurance Claims Data - Revenue loss			(10,000)
58. SB 2254 / HB 2262 - Children's Services - Deletes requirement for child abuse review teams		16,700	
59. SB 2271 / HB 2308 - Probation & Parole - Probationers and parolees transfer fee		160,800	(160,800)
60. SB 2275 / HB 2282 - Adult care homes licensing - (Costs - \$118,400 R; \$8,600 NR included in TennCare budget; revenue \$20,000) 2 FT		20,000	
61. a. SB 2279 / HB 2316 - Financial Inst. - Mortgage originator licensing - Revenue (\$241,400 R; \$51,800 NR)			293,200
b. SB 2279 / HB 2316 - Financial Inst. - Mortgage originator licensing - Costs (\$233,000; \$6,400 NR) 4 FT			(239,400)
62. SB 2284 / HB 2296 - Correction Dept. - Tennessee Vitiatic Settlement Act - Incarceration		(15,700)	
63. a. SB 2287 / HB 2317 - Safety - Voter registration electronic records - Info. systems modifications			(38,400)
b. SB 2287 / HB 2317 - Election Finance Registry - Electronic records - Postage, supplies - Savings (\$40,600)			
64. SB 2290 / HB 2264 - F&E Tax - FONCE			
65. a. SB 2300 / HB 2318 - Energy bill - Inspection fee revenue - \$1 M; forgone revenue \$100,000			1,000,000
b. SB 2300 / HB 2318 - Energy bill - Inspection costs (exceeds \$900,000)			(1,000,000)
66. SB 2308 / HB 2320 - THEC - Higher Education reports and committee			(1,800)
67. SB 2310 / HB 2312 - C&I - Regulatory Boards - Funeral directors, home inspectors, collection services, real estate appraisers (\$400 NR)			400
68. a. SB 2315 / HB 2324 - Labor - Unemployment Ins. - Revenue (\$243.5 M R; \$141 M NR)			
b. SB 2315 / HB 2324 - Labor - Unemployment Ins. - Expenditures (\$29.5 M R; \$3,655,800 NR)			(3,655,800)
69. SB 2318 / HB 2275 - Revenue - Technical corrections - Implementation cost (\$50,000 NR in Base)		(631,000)	(326,000)
70. SB 2357 / HB 2389 - Omnibus Budget Bill - Local cost \$3.8 M @ 10% state share (MH, DCS provisions)		(380,000)	
71. SB 258 / HB 386 - Agriculture - Dog and Cat Commercial Breeders regulation - GF and fees (\$446,000 R; \$16,000 NR; \$321,200 fees)			(140,800) (321,200)
72. SB 650 / HB 518 - E & CD - Surety bond program for small contractors		(64,200)	(3,000,000)
73. SB 1171 / HB 1410 - Legislature - Joint Committee to Study Creating Aging and Adult Services Dept.			(28,000)
<b>Sub-Total I. Administration Bills - Savings / (Cost)</b>	<b>-</b>	<b>(658,200)</b>	<b>(3,540,200) (4,295,400)</b>
<b>Total Additional Requirements</b>	<b>(2,050,000)</b>	<b>(46,605,900)</b>	<b>(29,940,200) 37,143,800</b>
<b>Total - Available Funds - Surplus / (Deficit)</b>	<b>(97,853,300)</b>	<b>(198,917,600)</b>	<b>92,087,700</b>

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<b>J. Other Items - Cost / (Savings):</b>				
74. Facilities Revolving Fund - Swipe and Ride - Transfer to Transportation			500,000	
75. Misc. Approp. - Swipe and Ride - Transportation to administer - Transfer from FRF			(500,000)	
<b>Sub-Total J. Other Items</b>	-	-	-	-
<b>Total Amendment Available Funds - Surplus / (Deficit)</b>	<u>(97,853,300)</u>	<u>(198,917,600)</u>	<u>92,087,700</u>	
<b>Budget Document Overview - Surplus / (Deficit)</b>	<u>217,300</u>	<u>(234,411,500)</u>	<u>234,659,900</u>	
<b>Total Available Funds - Surplus / (Deficit)</b>	<u>(97,636,000)</u>	<u>(433,329,100)</u>	<u>326,747,600</u>	
<b>Effect on Reserves:</b>				
<b>July 1, 2008:</b>				
Rainy Day Fund	\$ 750,000,000			
TennCare Reserve	<u>474,332,500</u>			
<b>Sub-Total</b>	<u>\$ 1,224,332,500</u>			
<b>2009-2010 Budget Document:</b>				
Rainy Day Fund @ 6-30-09 and 6-30-10	\$ 685,400,000		\$ 750,000,000	
TennCare Reserve @ 6-30-09 and 6-30-10	<u>347,832,500</u>		<u>341,832,500</u>	
<b>Sub-Total Budget Document Reserves</b>	<u>\$ 1,033,232,500</u>		<u>\$ 1,091,832,500</u>	
Less: 2008-2009 Amendment Overview - Surplus / (Deficit)	\$ (97,636,000)		\$ (97,636,000)	
Less: 2009-2010 Amendment Overview - Surplus / (Deficit)			(106,581,500)	
Plus / (Less): Rounding Adjustment	36,000		17,500	
<b>Amendment Overview:</b>				
Rainy Day Fund @ 6-30-09 and 6-30-10	\$ 587,800,000		\$ 545,800,000	
TennCare Reserve @ 6-30-09 and 6-30-10	<u>347,832,500</u>		<u>341,832,500</u>	
<b>Total Amendment Overview Reserves</b>	<u>\$ 935,632,500</u>		<u>\$ 887,632,500</u>	